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Editor: Mike Strawhecker, VP & Director of TSG Metrics  
Co-Editor: Andrew Nuss, Marketing Manager



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## Highlights This Week...

After much speculation, [Discover announced this week that they will support Apple Pay](#) this fall joining the ranks of Visa, MasterCard, and Amex. It is now rumored that Apple will focus on launching Apple Pay internationally - starting with Canada in November.

Best Buy, a member of MCX and supporter of its system CurrentC, announced this week [they will also support Apple Pay](#), a major MCX competitor, for purchases made inside its app followed by brick-and-mortar stores by the end of the year.

Said to be unrelated to Best Buy's announcement, [MCX announced that CEO, Dekkers Davidson was leaving the group.](#) Brian V. Mooney, former CEO of Bank of America Merchant Services, was appointed in his place and will work to bring CurrentC to market.

Other highlights include:

- **BREAKING:** [Harbortouch is Latest POS Vendor Breach](#)
- [Can Bitcoin Conquer Argentina](#)
- [U.S. GDP Barely Grows in First Quarter](#)
- [Visa's Scharf Stresses 'Unique' Benefits of Costco Deal, Decries Industry 'Gossip'](#)
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[Should Traditional Merchant Acquirers "Beware of Square"](#)

[What Benefits Me By Paying a Credit Card Swipe Fee?](#)

[Use a SmartPhone to Buy Things!](#)

[The Top Ten Ways Acquirers Can Block the Breach](#)

[Analysis: Vantiv's Acquisition of Mercury](#)

## This Day in History: 1931

### Empire State Building Dedicated

On this day in 1931, President Herbert Hoover officially dedicates New York City's Empire State Building, pressing a button from the White House that turns on the building's lights. Hoover's gesture, of course, was symbolic; while the president remained in Washington, D.C., someone else flicked the switches in New York.

The idea for the Empire



TSG recently released an eReport to explain what EMV is, who is impacted by the EMV migration, and how the shift to EMV will impact the payments environment.

This eReport cites over 200 sources providing 86-pages of in-depth content to help your company prepare for EMV before it's too late.

See the content preview [here](#) and order [here](#).

## Featured

### Discover Will Support Apple Pay This Fall

4/27/15 *Forbes*

Discover Financial Services has signed an agreement with Apple that will allow Discover cardholders in the U.S. to set up contactless payments in stores with NFC-enabled payment terminals using Apple Pay. You will also be able to make in-app purchases using your Discover card through Apple Pay with the iPad Air 2 and iPad mini 3. By adding Discover this fall, Apple Pay will support all of the major U.S. credit card companies.

Related: [Some of Apple Pay's Biggest Holdouts are Starting to Cave](#)

### Apple Pay Will Hit Best Buy Stores in 2015

4/27/15 *The New York Times*

For most consumers, paying for things with a wave of the smartphone is still a novelty. But many major retailers are clamoring to prepare for what could be a substantial change in the way we buy everyday items. Best Buy announced on Monday that it now accepts Apple Pay payments for purchases made inside its smartphone app, and by the end of the year will accept payments made in its brick-and-mortar stores using the Apple Pay mobile wallet.

### MCX Gets New CEO After Apple Pay Scores Best Buy

4/28/15 *CNET*

A consortium of major retailers backing a mobile-payments effort has appointed a new chief executive a day after member Best Buy announced it would support a competing system created by Apple. Merchant Customer Exchange, or MCX, announced Tuesday that Dekkers Davidson was leaving the group "to pursue other opportunities." Davidson, who had served as MCX's chief since 2013, will be replaced on an interim basis by Brian Mooney, a former CEO of Bank of America Merchant Services.

Related - [MCX Appoints Brian V. Mooney CEO](#)

### Harbortouch is Latest POS Vendor Breach

5/01/15 *KrebsonSecurity*

Last week, Allentown, Pa. based POS-maker Harbortouch disclosed that a

State Building is said to have been born of a competition between Walter Chrysler of the Chrysler Corporation and John Jakob Raskob of General Motors, to see who could erect the taller building. Chrysler had already begun work on the famous Chrysler Building, the gleaming 1,046-foot skyscraper in midtown Manhattan. Not to be bested, Raskob assembled a group of well-known investors, including former New York Governor Alfred E. Smith. The group chose the architecture firm Shreve, Lamb and Harmon Associates to design the building. The Art-Deco plans, said to have been based in large part on the look of a pencil, were also builder-friendly: The entire building went up in just over a year, under budget (at \$40 million) and well ahead of schedule. During certain periods of building, the frame grew an astonishing four-and-a-half stories a week.

[Click here to read more.](#)

breach involving "a small number" of its restaurant and bar customers were impacted by malicious software that allowed thieves to siphon customer card data from affected merchants. KrebsOnSecurity has recently heard from a major U.S. card issuer that says the company is radically downplaying the scope of the breach, and that the compromise appears to have impacted more than 4,200 Harbortouch customers nationwide.

### [After Target and Home Depot Breaches, Small Lenders Object to Settlements](#)

4/27/15 *WSJ*

Small banks and credit unions are banding together in a bid to recover hundreds of millions of dollars in losses incurred from high-profile data breaches at Target Corp. and Home Depot Inc. Angry at being squeezed out by bigger banks, the small institutions now are trying to upend a long-standing industry practice in which card networks Visa Inc. and Mastercard Inc. negotiate settlements with breached merchants and then distribute the proceeds to affected financial institutions.

### [The First Smart Card That can Replace Every Card in Your Wallet Started Shipping](#)

4/30/15 *BGR*

Coin was the first smart card that aimed to replace all of the credit cards in your wallet, but the company ran into manufacturing issues and despite its unveiling in November 2013, the device still hasn't begun shipping. Plastc is likely the most exciting solution of the bunch, but we still have no idea when it will be released. Stratos is yet another smart card that looks to offer a catch-all solution for the cards in your wallet, but there's one key difference: It's actually shipping right now.

### [The Cost to Golf in America \[Infographic\]](#)

#### **Miss Last Week's Big Data?**

[Check out Greens Fees at America's Public Golf Courses](#), an infographic produced by TSG. The analysis was created by leveraging TSG's database, which is populated with purchase data on over 2,500 golf courses in the United States.

The states with the highest costs for a round of golf are Nevada, Hawaii and Alaska, while the lowest costs go to Tennessee, Utah and Ohio.



## **Mobile Payments & Bitcoin**

### [Who Won't Win The Mobile Wallet "Wars" And Why](#)

4/27/15 *PYMNTS*

Blame it on the promotional run-up to the December 2015 release of Star Wars Episode 7, but the subject of the mobile wallet "wars" seems back in the news. And like all wars - intergalactic or otherwise - there's no shortage of opinions about who'll win and why. So what better opportunity to share my perspective on the players who are manning their mobile wallet battle stations and preparing for the onslaught.

## Can Bitcoin Conquer Argentina?

4/29/15 *The New York Times*

Dante Castiglione stalked through the doors of a glass-walled office tower on the edge of downtown Buenos Aires, just a few hundred feet from the old port district. In the crowded elevator, he shook his head and muttered under his breath about the stresses of the day and his profession. "I swear, this job can kill me," he said, his eyes cast downward. On the 20th floor, he hustled into an impersonal, windowless office and quickly removed the tools of his trade from his backpack and set them on the desk: locked blue cash box, cellphone and clunky Dell laptop with the same yellow smiley-face sticker that he puts on all his electronics.

## Beacon Based Commerce Gets a Booster Dose, Twitter Invests in Swirl

5/01/15 *LTP*

Twitter Ventures, the investment arm of Twitter Inc., has made a strategic investment in Swirl Networks Inc., a leading provider of proximity based indoor mobile marketing platform. Swirl is known for leveraging bluetooth low energy and Apple's iBeacon technology. Now it seems that Twitter also wishes to leverage the beacon technology and gain additional marketing tools. Twitter is looking to bolster its mobile advertising efforts since the social media giant also invested in the mobile operating system startup Cyanogen.

## Capital One Exec Predicts Mass Shift to Apple Pay This Year

4/30/15 *Mobile Commerce Daily*

A Capital One executive at the Mcommerce Summit: State of Mobile Commerce 2015 predicted a mass shift to Apple Pay this year and the decline of magnetic stripe payments as more consumers carry their phones on their persons at all times. One of the main takeaways from the "Capital One: The State of Mobile Payments and What It Means to Retailers" session is that mobile payments will have a significant effect on consumers and merchants alike, with exponential projections for adoption rates.

## Circle Raises \$50 Million With Goldman Sachs Support

4/30/15 *CoinDesk*

Bitcoin startup Circle has closed a new \$50 million strategic investment round co-led by Goldman Sachs and IDG Capital Partners. Goldman Sachs and China-based IDG Capital Partners were joined by all of Circle's existing investors in the round, including Breyer Capital, General Catalyst Partners, Accel Partners, Oak Investment Partners, Fenway Summer, Digital Currency Group, Pantera Capital, and strategic individuals.

## New Moves by Coinbase, Ripple Advance Digital Money Tech

4/29/15 *BTN*

Coinbase, a U.S.-based Bitcoin exchange with many prominent merchant clients, has spread its services into the U.K. where bankers and regulators have been more welcoming of digital currency innovations. The Coinbase move will advance the use of digital currency internationally - particularly in regions where banks and regulators are more receptive to the technology than in the U.S. - but falls short of Bitcoin advocates' ultimate goal: "To have Faster Payments deposits into U.K. bank accounts."

## We All Somehow Survived The 5-Hour Starbucks Register

## Outage

*4/27/15 Consumerist*

Last Friday, people across the United States and Canada banded together to get through a crisis. Payment systems at corporate-owned Starbucks stores across the U.S. and Canada went down, leaving about 8,000 stores unable to collect money in exchange for food and beverages. While the crisis only lasted for one afternoon and evening, Starbucks managed to thrill customers by giving food and drinks away instead...and raised a lot of questions about the flaws in modern payment systems.

## Airports Add More Connections Between Mobile and Payments

*4/28/15 ISO & Agent*

Mobile apps have become an ingrained part of air travel, providing everything from boarding passes to entertainment, and are increasingly handling payments as well. This is most evident in the design of airport restaurant operator OTC's new self-service-heavy 10,000 sq. ft. food hall at LaGuardia Airport's 300,000 sq. ft. Terminal C, which handles primarily Delta flights. The food hall will include more than 100 iPads, NCR's self-checkout system and support for Apple Pay contactless payments.

## Overstock Looks to Issue Bitcoin-style Stocks

*4/29/15 Finextra*

Overstock, the online retailer building a crypto-securities exchange, has revealed that it may issue up to \$500 million in stock through blockchain-style technology. Last year Overstock CEO Patrick Byrne hired developers and lawyers in an effort to create a platform - dubbed 'Medici' - that could use the core blockchain technology to create a cryptosecurity trading system, in which computer algorithms are used to trade virtual stocks issued by public companies.

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## Regulation & Security

### Another Breach Notification Bill Introduced

*4/30/15 Bank Info Security*

Privacy advocates in the Senate have unveiled a national data breach notification bill that would allow states to keep their own laws if they provide more stringent reporting and privacy protections than offered by the federal government. Although backed by a number of privacy and civil liberties group, business organization would likely oppose the bill because it would not standardize the reporting of data breaches.

### Payments Industry Moves to Help Simplify Chip Card Acceptance

*4/30/15 Visa*

The Payments Security Task Force today joined with the PCI Security Standards Council and the EMV Migration Forum to launch a chip education curriculum and "pre-qualification" program to help streamline and simplify the EMV testing and certification process for Value Added Resellers (VARs) and Independent Software Vendors (ISVs).

## Visa Won't Budge on Fraud Liability Shift Deadline

4/27/15 *FierceRetailIT*

Visa has no intention of extending the October fraud liability shift deadline for EMV chip cards. The credit and debit card network will continue its rollout plan for EMV even though a majority of retailers and some banks won't be ready for it in October. That's when lagging retailers or banks will assume liability for fraudulent card use depending on who is least prepared to accept the EMV chip cards.

## Police Break Up Cybergang that Stole Over \$15M from Banks

4/27/15 *CIO*

Romanian authorities have detained 25 people who are suspected of being members of an international gang of cyberthieves who hacked into banks, cloned payment cards and used them to steal over US\$15 million. The group is believed to have over 52 members of Romanian and other nationalities, and broke into computer systems belonging to banks from Puerto Rico, a U.S. territory, and Muscat, Oman, according to the Romanian Directorate for Investigating Organized Crime and Terrorism (DIICOT).



## Economy

### U.S. GDP Barely Grows in First Quarter

4/29/15 *MarketWatch*

The nation's economic growth slowed to a crawl in the first quarter, a period marked by severe weather, a soaring dollar that curbed American exports and a steep drop in investment by U.S. energy companies after oil prices tanked. Gross domestic product expanded by a meager 0.2% annual pace, well below the MarketWatch forecast of a 1.2% gain. By contrast, the economy grew at a 2.2% rate in the final three months of 2014.

### How to Make Sense of Weak Economic Growth in 2015

4/30/15 *TheUpshot*

The weak economic readings to start both this year and last reflect two consecutive years of unusually bad winter weather in heavily populated parts of the country, combined with evidence that the formulas used to adjust for the normal seasonal variations may be creating a distorted picture regarding the January-through-March quarter. The real test for the economy is whether the first quarter will, as was the case last year, turn out to be an aberration, with a catch-up effect happening in the form of apparently strong growth in the spring and summer months.

### Bank of America Survey Finds 64 Percent of Small Business Owners Are Still Recovering From the 'Great Recession'

4/29/15 *Bank of America*

Seven years after the "Great Recession," two-thirds (64 percent) of small business owners report their businesses are still in the process of recovering, according to Bank of America's spring 2015 Small Business

Owner Report. The report, based on a semi-annual survey of 1,000 small business owners across the country, says that only one in five (21 percent) small businesses state they have completely recovered from the recession.

## **Confidence in U.S. Ebbs, Catching Up With Spending Slowdown**

*4/28/15 Bloomberg*

Ever since December, the collision between cooling consumer spending and buoyant consumer confidence has puzzled economists and investors. The clash is over for now, and optimism has suffered. The Conference Board's consumer confidence index dropped to a four-month low of 95.2 in April, weaker than the most pessimistic forecast in a Bloomberg survey of economists, according to figures from the New York-based private research group Tuesday.



## **Payments Press**

### **Visa's Scharf Stresses 'Unique' Benefits of Costco Deal, Decries Industry 'Gossip'**

*4/30/15 Digital Transactions*

Visa Inc.'s branding and marketing strengths were what won Costco Wholesale Corp. over from American Express Co. in a set of exclusive acceptance and cobrand agreements announced early in March, according to Visa chief executive Charles W. Scharf, who spoke Thursday afternoon during a conference call to discuss Visa's results for its fiscal second quarter, which ended March 31.

### **MasterCard Buys Predictive Analytics Provider APT for \$600M**

*4/27/15 BusinessWire*

MasterCard announced that it has entered into an agreement to acquire Applied Predictive Technologies (APT) for \$600 million, subject to customary purchase price adjustments. Applied Predictive Technologies is a leading cloud-based analytics provider. APT's Test & Learn® platform helps companies tailor investments and maximize bottom-line impact by harnessing analytics to design, measure and calibrate marketing, merchandising, operations and capital initiatives.

### **PayPal Brings One-Touch Payments to the Web**

*4/29/15 TechCrunch*

Last year, PayPal made it easier for people to pay with PayPal on mobile apps. Now, the online payments giant will try to do the same thing for the Web. Now, PayPal is introducing its One Touch payment product for mobile and desktop websites. The product prompts online shoppers to enter their PayPal usernames and passwords once on a computer or phone, and then buy stuff on sites that accept PayPal without re-entering any password, payment or shipping information.

### **Vantiv Reports First Quarter 2015 Results**

*4/30/15 Vantiv*

Vantiv, Inc. announced financial results for the first quarter ended March 31, 2015. Revenue increased 31% to \$705.6 million in the first quarter as compared to \$537.6 million in the prior year period. Net revenue increased 30% to \$374.5 million in the first quarter as compared to \$288.5 million in the prior year period, primarily due to strong growth in our Merchant Services segment. On a GAAP basis, net income attributable to Vantiv, Inc. was \$19.0 million or \$0.13 per diluted share in the first quarter.

### **MasterCard Incorporated Reports First-Quarter Financial Results**

*4/29/15 MasterCard*

MasterCard Incorporated announced financial results for the first quarter of 2015. The company reported net income of \$1.0 billion, an increase of 17% or 24% adjusted for currency, and earnings per diluted share of \$0.89, up 22% or 29% adjusted for currency, in each case versus the year-ago period. Acquisitions had a \$0.02 dilutive impact on earnings per diluted share.

### **TSYS Reports First Quarter Adjusted EPS Grew 41.2%**

*4/28/15 TSYS*

TSYS reported results for the first quarter. "Through diligent planning and execution, along with the extraordinary efforts of many to complete the largest credit card portfolio conversion in the history of payments, we delivered exceptional results for the first quarter," said M. Troy Woods, chairman, president and chief executive officer of TSYS.

### **More than Half of Retailers Worldwide are Holding Back Payments Investments Due to Security Concerns**

*4/29/15 ACI Worldwide*

As payments move from an evolutionary to a revolutionary market, retailers in particular will retain a critical leadership position as the gatekeepers of the consumer experience. The first part of a new Global Payments Insight study of nearly 700 global retailer executives, conducted by ACI Worldwide and leading market research and advisory firm Ovum, provides insight into retailers' payment strategies and investment priorities.

### **Visa Europe Collab Opens its Doors to a New Generation of Payments Services**

*5/01/15 Visa Europe*

Visa Europe today announces the launch of Visa Europe Collab, its new international innovation hub. Working with a network of partners from across the digital and fintech ecosystem, Visa Europe Collab offers start-ups and technology entrepreneurs the insight, tools and connections to forge the technologies and services that will transform citizens' interactions with payments.

### **TransFirst® and iNtelli-Bill Announce New Strategic Alliance**

*4/30/15 PR NewsWire*

TransFirst®, a leading provider of transaction processing services and payment-enabling technologies, and iNtelli-Bill, a division of American Medical Systems, Inc. (AMS) are pleased to announce a strategic alliance. TransFirst will provide a wide array of payment processing products, including integrated electronic payment processing services, for the medical community. iNtelli-Bill offers online, flat-rate medical billing services and leases its medical billing software (HorizonMIS) to physicians who prefer to handle billing internally.

## **Bigcommerce Acquires Checkout And Inventory Software Startup Zing**

*4/29/15 TechCrunch*

E-commerce platform Bigcommerce announced today that it has made its first acquisition, point-of-sale and inventory management software startup Zing. The value of the deal was undisclosed. Bigcommerce has raised \$125 million so far from investors including General Catalyst, Softbank, and American Express, and is pursuing rapid growth in the U.S. and Asia. It faces formidable competition, however, from other e-commerce platforms like Shopify and Magento, as well as marketplaces such as eBay and Amazon that target smaller vendors.

## **MasterCard Named Exclusive Card Processor by Green Dot Bank**

*4/28/15 MarketWatch*

MasterCard announced that it was chosen to be the transaction processor and network gateway for all Green Dot Bank-issued deposit accounts, including the bank's debit card products. Through this new relationship, Green Dot's debit and prepaid products will be processed through MasterCard's platform which represents the latest in state-of-the-art processing solutions, with safety and security as top priorities.

## **Global Payments Launches EMV and Contactless Mobile Payments Solution in Canada**

*4/27/15 EON*

Global Payments Inc., a leading worldwide provider of payment technology services, today announced the launch of the new Ingenico Companion Mobile Payment (iCMP) MPOS - a turnkey mobile point-of-sale solution offering full debit and credit EMV and contactless payment acceptance to Canadian merchants.

## **Chase Commerce Solutions and USA Technologies Form Strategic Relationship**

*4/28/15 BusinessWire*

USA Technologies, Inc., a leader of wireless, cashless payment and M2M/IoT solutions for small-ticket, self-serve retailing industries and Chase Commerce Solutions, the global payment processing, merchant acquiring and offers business of JPMorgan Chase & Co., announced a new strategic relationship. Through a multi-year agreement, self-service retailers can benefit from USAT's best-in-class cashless payments and M2M/IoT service with the added strength, security and expanded reach of Chase Commerce Solutions' market-leading payment processing.

## **Harbortouch Selects Verifone Terminal Solutions to Meet EMV, Next-Generation Payment Needs**

*4/30/15 Yahoo! Finance*

Verifone announced that Harbortouch, a leading national point of sale (POS) system and merchant services provider, has selected Verifone terminal and PIN pad solutions to provide next-generation EMV and NFC capabilities to its customers. Harbortouch will use Verifone's VX 520 countertop payment terminal in combination with the VX 805 PIN pad to accommodate EMV and contactless NFC payments.

## **Lightning Payments Now Available with TouchSuite's Latest POS Solutions**

*4/27/15 TouchSuite*

Leading U.S. financial technology company, TouchSuite, has announced that its highly-advanced Firefly point of sale systems are now equipped to

support the company's newly-acquired processing solution, Lightning Payments. As one of the only payment processors in the country integrated with QuickBooks®, Lightning Payments provides QuickBooks accounting software users with a direct connection from firefly POS systems to QuickBooks without the hassle of double data entry and with full PCI compliance.

## Western Union and U.S. Bank Extend Relationship

4/29/15 *Western Union*

Western Union, a leader in global payment services, announced the company has renewed its contract with U.S. Bank, one of the top 5 banks in the U.S. With this renewal, U.S. Bank customers will continue to have access to Western Union Money Transfer® services via the bank's branches, online banking website and mobile banking application.



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